

The City of San Diego
Redevelopment Agency

ANNUAL REPORT



Fiscal Year 2003
(Issued in December 2007)

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Prepared by
The City of San Diego, City Planning & Community Investment Department

The City of San Diego
Redevelopment Agency

Roster of Officials
(as of the issuance of this report)

BOARD OF DIRECTORS

Scott Peters
Member

Kevin Faulconer
Member

Toni Atkins
Member

Anthony Young
Member

Brian Maienschein
Member

Donna Frye
Member

Jim Madaffer
Member

Ben Hueso
Member

OFFICIALS

Jerry Sanders
Executive Director

William Anderson
Assistant Executive Director

Janice L. Weinrick
Deputy Executive Director

Michael Aguirre
General Counsel

The City of San Diego
Redevelopment Agency

Roster of Officials
As of Year Ended June 30, 2003

BOARD OF DIRECTORS

Dick Murphy*
Chairperson

Board Members

Scott Peters
Member

Michael Zucchet*
Member

Toni Atkins
Member

Charles Lewis*
Member

Brian Maienschein
Member

Donna Frye
Member

Jim Madaffer
Member

Ralph Inzunza*
Member

OFFICIALS

Michael T. Uberuaga*
Executive Director

Casey Gwinn*
General Counsel

* Individuals are no longer employees of the Redevelopment Agency.

**CITY OF SAN DIEGO REDEVELOPMENT AGENCY
PROJECT AREAS**

Legend

**City of San Diego Redevelopment Agency:
City Redevelopment Division - 619-533-4233**

Barrio Logan	Linda Vista
City Heights	Naval Training Center
College Community	North Bay
College Grove	North Park
Crossroads	San Ysidro
Grantville	Barrio Logan Expansion Area*

Centre City Development Corporation - 619-235-2200

Centre City
Horton Plaza

Southeastern Economic Development Corporation - 619-527-7345

Central Imperial
Gateway Center West
Mount Hope
Southcrest
Dells Imperial Study Area*

*These areas represent proposed Redevelopment Project Areas.
They have not been adopted by the City of San Diego
Redevelopment Agency as Redevelopment Project Areas.

MEXICO

San Ysidro

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City of San Diego
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¹ Redevelopment Project Map is reflecting all the project areas as of the issuance of this report.

INTRODUCTION

The Redevelopment Agency is required to present to its legislative body an annual report within six (6) months of the end of the agency's fiscal year (California Health & Safety Code, Section 33080.1). California Redevelopment Law (CRL) at Health and Safety Code Section 33080.1 requires that the annual report shall contain the following:

1. The independent financial audit report for the previous fiscal year.
2. A fiscal statement for the previous fiscal year that lists the amount of outstanding indebtedness and tax increment revenues generated by the agency and in each project area.
3. Description of the agency's activities in the previous year affecting housing and displacement.
4. Report on the actions and activities alleviating blight during the previous fiscal year.
5. List the status on all loans made by the Agency that were \$50,000 or more, that were in default, or not in compliance with the terms of the loan during the previous fiscal year.
6. Description of the total number and nature of the properties that the agency owns and the properties acquired in the previous fiscal year.
7. Any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities. *Note: Staff performed a search of the Agency's archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

In May 2007, the Redevelopment Agency Annual Financial Report for the year ending June 30, 2003 (Audit) was issued. The report identified eight (8) findings (refer to the *Annual Financial Audit Report* Section, Page 66). One of the findings was that the Annual Report was not submitted to the City Council. The issuance of this report addresses this specific Audit compliance finding.

REDEVELOPMENT AGENCY OVERVIEW

The California Community Redevelopment Act was enacted in 1945. The Community Redevelopment Act gave cities and counties the authority to establish redevelopment agencies, gave these agencies the authority to address problems of urban decay, and enabled the agencies to apply for grants and loans from the federal government.

In 1951, the Community Redevelopment Act was codified and renamed the Community Redevelopment Law (Health and Safety Code § 33000 et seq.). The City Council of the City of San Diego established the Redevelopment Agency of the City of San Diego in 1958. Although City Council members serve as the Board of Directors of the Redevelopment Agency, the Agency is a separate, legally constituted body which operates under the authority granted by redevelopment law.

Agency Organization

The City Council is the Board of Directors of the Redevelopment Agency. Project implementation and administration for the Agency are provided by three separate and distinct organizations:

- Centre City Development Corporation (CCDC)
- Redevelopment Division (The Redevelopment Division of the City of San Diego, City Planning & Community Investment Department)
- Southeastern Economic Development Corporation (SEDC)

Both CCDC and SEDC are public non-profit organizations established by the City Council, with the City of San Diego as the sole member of each corporation.

Centre City Development Corporation (CCDC)

In 1975, the City Council established the Centre City Development Corporation as a non-profit public corporation to implement redevelopment projects in the downtown area. The Corporation is governed by a seven-member Board of Directors appointed by the City Council. CCDC administers the Centre City and Horton Plaza project areas.

Redevelopment Division

In 1958, the City Council established the Redevelopment Agency to implement redevelopment projects within the City of San Diego. The Redevelopment Division of the City Planning & Community Investment Department performs general administration for the Redevelopment Agency, coordinates budget and reporting requirements, and maintains the Agency's meeting docket and official records.² During Fiscal Year 2003, the Redevelopment Division administered the following ten (10) project areas:

- Barrio Logan
- City Heights
- College Community
- College Grove
- Crossroads
- Linda Vista
- Naval Training Center
- North Bay
- North Park
- San Ysidro

Southeastern Economic Development Corporation (SEDC)

In 1980, the City Council established the Southeastern Economic Development Corporation as a non-profit public corporation to implement redevelopment projects in Southeastern San Diego. The Corporation is governed by a nine-member Board of Directors appointed by the City Council. SEDC administers the Central Imperial, Gateway Center West, Mount Hope, and Southcrest project areas.

² Redevelopment Division of the City Planning & Community Investment Department is the organizational structure as of the issuance of this report.

Contact Information

Centre City Development Corporation

225 Broadway, Suite 1100

San Diego, CA 92101

(619) 235-2200

Website: www.ccdc.com

City of San Diego, City Planning & Community Investment - Redevelopment Agency

1200 Third Avenue, 14th Floor

San Diego, CA 92101

(619) 236-6700

Website: www.sandiego.gov/redevelopment-agency/

Southeastern Economic Development Corporation

4393 Imperial Avenue, Suite 200

San Diego, CA 92113

(619) 527-7345

Website: www.sedcinc.com

REPORTS SUBMITTED TO THE STATE OF CALIFORNIA

Much of the content required by California Redevelopment Law for this report is also submitted to the State of California on an annual basis. These filings are listed and described below.

California State Controller's Report

The Agency is required to file the Annual Report of Financial Transactions with the State Controller's Office (SCO) within six (6) months of the end of the fiscal year. The audited financial statements were not available at the time; the State Controller's Report was filed electronically to the state utilizing unaudited financial information. This circumstance was disclosed to the State Controller's Office at the time of the submittal. Attachment 1 represents the database screen prints of the information submitted electronically to the State.

California Department of Housing and Community Development Report

The Agency is required to file the Annual Housing Activity Report with the California Department of Housing and Community Development (HCD) within six (6) months of the end of the fiscal year (refer to Attachment 2). The audited financial statements were not available at the time; the Housing and Community Development Report was filed electronically to the state utilizing unaudited financial information. Attachment 2 represents the information submitted electronically to the State.

Please note: The State Controller's Report (refer to Attachment 1) and the Housing and Community Development Report (refer to Attachment 2) were originally submitted electronically in December 2003 utilizing unaudited financial data. The audited financial data were released in May 2007 (refer to Attachment 3); discrepancies exist between the original filings and the audited financial statements. The Annual Report utilizes the audited financial information.

FINANCIAL OVERVIEW

The Financial Overview is a summary of actual fiscal activities for the Agency as a whole. A description of fiscal activities by project area can be found within the Project Area Information section of this report.

Statement of Indebtedness

The following table complies with Section 33080.5(a), which requires the amount of outstanding indebtedness generated by the agency in each project area.

**CITY OF SAN DIEGO
REDEVELOPMENT AGENCY
STATEMENT OF INDEBTEDNESS (SOI)
FISCAL YEAR 2003**

ORGANIZATION	PROJECT AREA	SOI AMOUNT
CCDC	Centre City	\$ 300,466,535
CCDC	Horton Plaza	37,862,840
Redevelopment Division	Barrio Logan	18,546,576
Redevelopment Division	City Heights	33,667,233
Redevelopment Division	College Community	2,764,966
Redevelopment Division	College Grove	1,138,429
Redevelopment Division	Crossroads	-
Redevelopment Division	Linda Vista	5,266,763
Redevelopment Division	Naval Training Center	2,088,990
Redevelopment Division	North Bay	16,043,932
Redevelopment Division	North Park	8,742,576
Redevelopment Division	San Ysidro	3,142,242
SEDC	Central Imperial	24,218,275
SEDC	Gateway Center West	22,883,458
SEDC	Southcrest	20,381,376
SEDC	Mount Hope	24,782,908
TOTAL:		\$ 521,997,099

Required Payments for Existing Indebtedness

The respective financial statements for each Project Area reflect payments made on the existing outstanding indebtedness during the fiscal year as described in Section 33080.5(f).

Tax Increment Property Tax Revenues

The following table complies with Section 33080.5(b), which requires the amount of tax increment property tax revenues generated by the agency in each project area.

**CITY OF SAN DIEGO
REDEVELOPMENT AGENCY
TAX INCREMENT PROPERTY TAX REVENUE
FISCAL YEAR 2003**

ORGANIZATION	PROJECT AREA	TAX INCREMENT
CCDC	Centre City	\$ 34,233,480
CCDC	Horton Plaza	6,165,366
Redevelopment Division	Barrio Logan	74,823
Redevelopment Division	City Heights	4,619,825
Redevelopment Division	College Community	181,910
Redevelopment Division	College Grove	482,411
Redevelopment Division	Crossroads	-
Redevelopment Division	Linda Vista	104,940
Redevelopment Division	Naval Training Center	489,760
Redevelopment Division	North Bay	2,526,001
Redevelopment Division	North Park	2,065,855
Redevelopment Division	San Ysidro	1,489,510
SEDC	Central Imperial	948,752
SEDC	Gateway Center West	252,200
SEDC	Southcrest	790,225
SEDC	Mount Hope	1,162,241
TOTAL:		\$ 55,587,299

Payment to Taxing Agencies

The following table complies with Section 33080.5(c) and 33080.5(e), and summarizes the amount of tax increment revenues paid to taxing agencies.

**CITY OF SAN DIEGO
REDEVELOPMENT AGENCY
TAXING AGENCY PAYMENTS
FISCAL YEAR 2003**

TAXING AGENCY PAYMENTS - SCHOOL/COMMUNITY COLLEGE DISTRICTS:

San Diego Community College	\$ 406,317
San Diego Unified Schools	830,714
San Ysidro School District	88,243
County Office of Education	81,764
Southwestern Comm College Dist	10,313
Sweetwater Union High School	38,273

TOTAL TAXING AGENCY PAYMENTS -	
SCHOOL/COMMUNITY COLLEGE DISTRICTS:	\$ 1,455,623

TAXING AGENCY PAYMENTS - OTHER:

City of San Diego	\$ 411,706
County of San Diego	1,360,686
County Water Authority	2,135
MWD D/S Remainder of SDCWA	6,844

TOTAL TAXING AGENCY PAYMENTS - OTHER:	\$ 1,781,371
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TOTAL:	\$ 3,236,994
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Defaulted or Non-Compliant Loans of \$50,000 or greater

California Redevelopment Law under Section 33080.1(e) requires that the Annual Report include "a list of, and status report on, all loans made by the redevelopment agency that are fifty thousand dollars (\$50,000) or more, that in the previous fiscal years were in default, or not in compliance with the terms of the loan approved by the redevelopment agency." There were no agency loans made in the previous year that are in default or not in compliance with the loan conditions.

Property Report

California Redevelopment Law under Section 33080.1(f) requires that the Annual Report include a description of the total number and nature of the properties that the Agency owns. The properties owned by the Agency during Fiscal Year 2003 are listed in Attachment 4.

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” A description of the actions that were taken to alleviate blight is listed in the *Project Area Information* section.

LOW AND MODERATE HOUSING FUND

In 1976, the legislature imposed what is commonly referred to as the “20 Percent Set-Aside,” which requires twenty (20) percent of tax increment generated from the project area to be used by the agency to increase, improve, and preserve the supply of affordable housing for persons and families of low and moderate income (refer to Section 33334.2). These funds are restricted to affordable housing related expenses.

The following table is a summary of the Agency’s assisted dwelling units from the California Department of Housing and Community Development Report (refer to Attachment 2):

Fiscal Year 2003 – Cumulative Agency-Assisted Dwelling Units			
	Very Low*	Low*	Total
Constructed	373	196	569
Rehabilitated		47	47
First time home buyers		9	9
TOTAL:	373	252	625

* Very Low: Families with less than 50% Average Median Income (AMI). Low: Families between 51% - 80% AMI. Moderate: Families between 81% - 120% AMI.

Financial Activity

California Redevelopment Law under Section 33080.5 requires that the Annual Report include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Low and Moderate Housing Fund:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 SPECIAL REVENUE LOW TO MODERATE INCOME HOUSING FUNDS
 Year Ended June 30, 2003

REVENUES	Total
Tax Increments.....	\$ 12,551,072
Interest.....	981,812
Rents.....	102,937
Private Sources.....	108,257
TOTAL REVENUES.....	13,744,078
 EXPENDITURES	
Administration.....	918,653
Legal.....	490,572
Plans and Surveys.....	116,223
Acquisition Expense.....	3,507
Property Management.....	17,867
Rehabilitation.....	150,089
Project Improvements.....	544,291
Program Management.....	31,472
Rehabilitation Loans.....	650,000
Housing Subsidies.....	2,606,000
TOTAL EXPENDITURES.....	5,528,674
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	8,215,404

**REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE LOW TO MODERATE INCOME HOUSING FUNDS
Year Ended June 30, 2003**

	<u>Total</u>
OTHER FINANCING SOURCES (USES)	
Contributions from the City of San Diego.....	1,742,354
Transfers from Other Funds.....	17,808
Transfers from Bond Proceeds.....	2,781,155
Transfers to the Housing Commission.....	(221,000)
Transfers to the City of San Diego.....	(235,350)
Transfers to Other Funds.....	<u>(2,855,705)</u>
TOTAL OTHER FINANCING SOURCES (USES).....	<u>1,229,262</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	9,444,666
 Fund Balances at July 1, 2002, as Restated.....	 <u>40,145,774</u>
 FUND BALANCES AT JUNE 30, 2003.....	 \$ 49,590,440

**Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual
Financial Report – Fiscal Year Ending June 30, 2003**

PROJECT AREA INFORMATION

All seventeen project areas are listed in name order on the following pages.

Barrio Logan Project Area*Redevelopment Division*

General Information:

PROJECT AREASIZE (ACRES)	133	REDEVELOPMENT PLAN TIME LIMIT	5/20/2032
COUNCIL DISTRICT	8	INCURRING DEBT FINAL DATE	5/20/2011
PLAN ADOPTION DATE	5/20/1991	EMINENT DOMAIN TIME LIMIT	5/20/2003
PLAN AMENDMENT DATE	11/28/1994	REPAYMENT OF DEBT (YEAR)	5/20/2042

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Conveyed land and began construction for the Chuey’s Restaurant expansion.
- Approved Disposition and Development Agreement with Barrio Logan Properties for multi-phased mixed use project containing affordable housing.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
 BARRIO LOGAN REDEVELOPMENT AREA FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 Year Ended June 30, 2003

REVENUES

	Special Revenue			Capital Projects	
	Low/Mod	Other	Total	Total	Total
Tax Increments.....	\$ 14,965	\$ 35,463	\$ 50,428	\$ 24,395	\$ 74,823
Interest.....	2,846	723	3,569	2,176	5,745
Rents.....	-	-	-	6,000	6,000
Private Sources.....	-	-	-	26,000	26,000
Other Revenue.....	-	-	-	178	178
TOTAL REVENUES.....	17,811	36,186	53,997	58,749	112,746

EXPENDITURES

Administration.....	-	-	-	667,457	667,457
Legal.....	-	-	-	24,700	24,700
Plans and Surveys.....	-	-	-	17,907	17,907
Property Management.....	-	-	-	1,370	1,370
Project Improvements.....	-	-	-	759,000	759,000
Tax Sharing Payments.....	-	1,782	1,782	-	1,782
ERAF Payments.....	-	1,252	1,252	-	1,252
TOTAL EXPENDITURES.....	-	3,034	3,034	1,470,434	1,473,468
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	17,811	33,152	50,963	(1,411,685)	(1,360,722)

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
BARRIO LOGAN REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Capital Projects	
	Low/Mod	Other	Total	Total	Total
OTHER FINANCING SOURCES (USES)					
Proceeds from Bonds, Developer Loans and Notes.....	-	-	-	1,199,000	1,199,000
Loans from the City of San Diego:					
Sales Tax.....	-	-	-	171,406	171,406
Community Development Block Grant.....	-	-	-	9,449	9,449
Total Loans from City of San Diego.....	-	-	-	180,855	180,855
Transfers from Other Funds.....	-	-	-	1,000	1,000
Transfers to Other Funds.....	-	-	-	(1,000)	(1,000)
TOTAL OTHER FINANCING SOURCES (USES).....	-	-	-	1,379,855	1,379,855
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	17,811	33,152	50,963	(31,830)	19,133
Fund Balances at July 1, 2002, as Restated.....	60,315	30,996	91,311	15,187	106,498
FUND BALANCES AT JUNE 30, 2003.....	\$ 78,126	\$ 64,148	\$ 142,274	\$ (16,643)	\$ 125,631

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Central Imperial Project Area*Southeastern Economic Development Corporation*

General Information:

Central Imperial

PROJECT AREA SIZE (ACRES)	580	REDEVELOPMENT PLAN TIME LIMIT	9/14/2032
COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	9/14/2012
PLAN ADOPTION DATE	9/14/1992	EMINENT DOMAIN TIME LIMIT	11/3/2015
PLAN AMENDMENT DATE	11/3/2003	REPAYMENT OF DEBT (YEAR)	9/14/2042

Central Imperial - 2

COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	9/14/2012
PLAN ADOPTION DATE	12/10/1996	EMINENT DOMAIN TIME LIMIT	11/3/2015
PLAN AMENDMENT DATE	11/3/2003	REPAYMENT OF DEBT (YEAR)	12/10/2041
REDEVELOPMENT PLAN TIME	12/10/2026		

Central Imperial - 3

COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	10/24/2020
PLAN ADOPTION DATE	10/24/2000	EMINENT DOMAIN TIME LIMIT	11/3/2015
PLAN AMENDMENT DATE	11/3/2003	REPAYMENT OF DEBT (YEAR)	10/24/2045
REDEVELOPMENT PLAN TIME	11/3/2003		

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Completed public improvements for the Valencia Business Park and entered into a Disposition and Development Agreement for development of an additional 60,000 square feet of light-industrial space.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the City

of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003 (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
CENTRAL IMPERIAL REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
REVENUES							
Tax Increments.....	\$ 189,751	\$ 510,687	\$ 700,438	\$ 227,331	\$ 20,983	\$ 948,752	
Interest.....	2,949	46,698	49,647	36,323	468	86,438	
TOTAL REVENUES.....	192,700	557,385	750,085	263,654	21,451	1,035,190	
EXPENDITURES							
Administration.....	54,561	-	54,561	-	660,874	715,435	
Legal.....	6,809	-	6,809	-	372,227	379,036	
Plans and Surveys.....	17,778	-	17,778	-	150,915	168,693	
Real Estate/Fixture Purchases.....	-	-	-	-	43	43	
Property Management.....	-	-	-	-	93,542	93,542	
Rehabilitation.....	-	-	-	-	325	325	
Project Improvements.....	-	-	-	-	1,672,251	1,672,251	
Program Management.....	4,569	-	4,569	-	28,841	33,410	
Tax Sharing Payments.....	-	5,384	5,384	-	-	5,384	
Debt Service:							
Principal.....	-	-	-	45,000	-	45,000	
Interest.....	-	-	-	213,450	-	213,450	
TOTAL EXPENDITURES.....	83,717	5,384	89,101	258,450	2,979,018	3,326,569	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	108,983	552,001	660,984	5,204	(2,957,567)	(2,291,379)	

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
CENTRAL IMPERIAL REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)						
Loans from the City of San Diego:						
Sales Tax.....	-	-	-	(27)	(27)	(27)
Community Development Block Grant.....	-	-	-	2,126,166	2,126,166	2,126,166
HUD Section 108.....	-	-	-	318,123	318,123	318,123
Total Loans from City of San Diego.....	-	-	-	2,444,262	2,444,262	2,444,262
Transfers from Other Funds.....	-	943,412	943,412	-	-	943,412
Transfers from Bond Proceeds.....	91,829	-	91,829	-	841,368	933,197
Transfers to the City of San Diego.....	-	-	-	-	(109,293)	(109,293)
Transfers to Other Funds.....	-	(933,197)	(933,197)	(943,412)	-	(1,876,609)
TOTAL OTHER FINANCING SOURCES (USES).....	91,829	10,215	102,044	(943,412)	3,176,337	2,334,969
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	200,812	562,216	763,028	(938,208)	218,770	43,590
Fund Balances at July 1, 2002, as Restated.....	19,454	552,348	571,802	1,221,600	853,610	2,647,012
FUND BALANCES AT JUNE 30, 2003.....	\$ 220,266	\$ 1,114,564	\$ 1,334,830	\$ 283,392	\$ 1,072,380	\$ 2,690,602

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Centre City Project Area*Centre City Development Corporation*

General Information:

Centre City - Merged Project Area Information

PROJECT AREASIZE (ACRES)	1,398	EMINENT DOMAIN TIME LIMIT	5/11/2006
COUNCIL DISTRICT	2		

Columbia - Sub Area

PLAN ADOPTION DATE	12/29/1976	REPAYMENT OF DEBT (YEAR)	12/29/2027
PLAN AMENDMENT DATE	4/7/2006		

Marina - Sub Area

PLAN ADOPTION DATE	12/29/1976	REPAYMENT OF DEBT (YEAR)	12/29/2027
PLAN AMENDMENT DATE	4/7/2006		

Gaslamp - Sub Area

PLAN ADOPTION DATE	7/26/1982	REPAYMENT OF DEBT (YEAR)	7/26/2033
PLAN AMENDMENT DATE	4/7/2006		

Expansion - Sub Area

PLAN ADOPTION DATE	5/11/1992	REPAYMENT OF DEBT (YEAR)	5/11/2043
PLAN AMENDMENT DATE	4/7/2006		

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Completed four (4) developments in the Little Italy neighborhood, consisting of 419 homes and 15,000 square feet of retail space.
- Completed three residential projects with 327 market-rate homes in the Marina District.
- Concluded four projects in the East Village, comprised of 237 market-rate units and 370 affordable homes.
- Added 40,000 square feet of retail space and thirty-three (33) homes in the Core neighborhood.
- Completed four Cortez Hill developments comprised of 345 market-rate and 45 affordable homes.
- Concluded three Columbia District projects consisting of the 261-room “W” Hotel and 334 homes.
- Finished Borders Books retail store (34,000 square feet) in the Gaslamp Quarter.
- Completed approximately \$3 million of public infrastructure improvements, including Gaslamp Quarter pop-outs and Trolley Station expansion, East Village

street light improvements, and Core District sidewalk improvements along Fourth, Fifth, and Sixth Avenues.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
CENTRE CITY REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
REVENUES						
Tax Increments.....	\$ 6,846,696	\$ 7,158,096	\$ 14,004,792	\$ 16,000,536	\$ 4,228,152	\$ 34,233,480
Interest.....	558,299	2,834,381	3,392,680	402,621	1,135,642	4,930,943
Rents.....	102,937	-	102,937	-	857,790	960,727
Private Sources.....	108,257	-	108,257	233,600	10,115,808	10,457,665
Other Revenue.....	-	-	-	-	434,107	434,107
TOTAL REVENUES.....	7,616,189	9,992,477	17,608,666	16,636,757	16,771,499	51,016,922
EXPENDITURES						
Administration.....	498,839	-	498,839	-	4,667,062	5,165,901
Legal.....	459,348	-	459,348	-	1,292,784	1,752,132
Plans and Surveys.....	54,401	-	54,401	-	3,595,492	3,649,893
Acquisition Expense.....	-	-	-	-	77,925	77,925
Real Estate/Fixture Purchases.....	-	-	-	-	12,911,332	12,911,332
Property Management.....	15,593	-	15,593	-	192,720	208,313
Relocation.....	-	-	-	-	122,833	122,833
Rehabilitation.....	33,768	-	33,768	-	1,242,855	1,276,623
Site Clearance.....	-	-	-	-	114,423	114,423
Project Improvements.....	109,291	-	109,291	-	11,762,791	11,872,082
Promotions and Marketing.....	-	-	-	-	53,648	53,648
Bond Sale Expense.....	-	-	-	944,726	-	944,726
Program Management.....	10,590	-	10,590	-	2,124,318	2,134,908
Rehabilitation Loans.....	400,000	-	400,000	-	-	400,000
Tax Sharing Payments.....	-	1,408,315	1,408,315	-	-	1,408,315
ERAF Payments.....	-	620,217	620,217	-	-	620,217
Other.....	-	-	-	-	322,064	322,064
Debt Service:						
Principal.....	-	-	-	11,780,948	-	11,780,948
Interest.....	-	-	-	10,864,450	-	10,864,450
TOTAL EXPENDITURES.....	1,581,830	2,028,532	3,610,362	23,590,124	38,480,247	65,680,733
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	6,034,359	7,963,945	13,998,304	(6,953,367)	(21,708,748)	(14,663,811)

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
CENTRE CITY REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)						
Proceeds from Bonds, Developer Loans and Notes.....	-	29,085,000	29,085,000	-	-	51,515,000
Contributions from the City of San Diego.....	1,242,354	849,934	2,092,288	226,363	963,964	3,282,615
Loans from the City of San Diego:						
Sales Tax.....	-	-	-	-	3,492,636	3,492,636
Marina/Columbia Residential Fund.....	-	-	-	-	314,907	314,907
Community Development Block Grant.....	-	-	-	-	861,036	861,036
Capital Outlay.....	-	-	-	-	22,909	22,909
Total Loans from City of San Diego.....	-	-	-	-	4,691,488	4,691,488
Transfers from Other Funds.....	-	438,144	438,144	7,469,623	1,574,479	9,482,246
Transfers from Bond Proceeds.....	-	-	-	36,437	36,804,322	36,840,759
Transfers from Escrow Agent.....	-	-	-	457,200	-	457,200
Transfers to Public Facilities Financing Authority.....	-	-	-	-	(3,900,000)	(3,900,000)
Discount on Bonds Issued.....	-	-	-	(124,341)	-	(124,341)
Premium on Bonds Issued.....	-	-	-	278,568	-	278,568
Transfers to the City of San Diego.....	(235,350)	-	(235,350)	-	(617,900)	(853,250)
Transfers to Other Funds.....	(2,000,000)	(37,510,382)	(39,510,382)	(439,175)	(6,373,448)	(46,323,005)
Transfers to Escrow Agent.....	-	-	-	(18,277,208)	-	(18,277,208)
TOTAL OTHER FINANCING SOURCES (USES).....	(992,996)	(7,137,304)	(8,130,300)	12,057,467	33,142,905	37,070,072
EXCESS (DEFICIENCY) OF REVENUES AND OTI						
FINANCING SOURCES OVER EXPENDITURES						
AND OTHER USES.....	5,041,363	826,641	5,868,004	5,104,100	11,434,157	22,406,261
Fund Balances at July 1, 2002, as Restated.....	26,329,914	59,377,584	85,707,498	19,796,941	80,092,590	185,597,029
FUND BALANCES AT JUNE 30, 2003.....	\$ 31,371,277	\$ 60,204,225	\$ 91,575,502	\$ 24,901,041	\$ 91,526,747	\$ 208,003,290

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

City Heights Project Area*Redevelopment Division*

General Information:

PROJECT AREASIZE (ACRES)	1,984	REDEVELOPMENT PLAN TIME LIMIT	5/11/2032
COUNCIL DISTRICT	3, 4, 7	INCURRING DEBT FINAL DATE	5/11/2012
PLAN ADOPTION DATE	5/11/1992	EMINENT DOMAIN TIME LIMIT	11/14/2012
PLAN AMENDMENT DATE	4/16/1996	REPAYMENT OF DEBT (YEAR)	5/11/2042

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Completed construction of the Urban Village Town Homes and Office portion of the Urban Village Project, including a six-story office building, multi-story parking garage, and 116 new town home residential units.
- Implemented agreements and acquired property for the Metro Villas affordable housing project and Metro Career Center.
- Expanded the Home in the Heights First Time Homebuyer Assistance Program.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

**REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
CITY HEIGHTS REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003**

REVENUES

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
\$	923,965	\$ 1,824,568	\$ 2,748,533	\$	563	\$ 4,619,825
Tax Increments.....	45,335	74,142	119,477	30,262	200,131	
Interest.....	-	-	-	227	227	
Rents.....	-	-	-	-	-	
Private Sources.....	-	-	-	136,714	244,686	
Other Revenue.....	-	-	-	3,770	823,763	
TOTAL REVENUES.....	969,300	1,898,710	2,868,010	962,787	5,892,402	

EXPENDITURES

Administration.....	11,415	-	11,415	-	1,751,283	1,762,698
Legal.....	7,951	-	7,951	-	75,173	83,124
Plans and Surveys.....	-	-	-	-	526,736	526,736
Acquisition Expense.....	-	-	-	-	294,592	294,592
Real Estate/Fixture Purchases.....	-	-	-	-	21,470	21,470
Property Management.....	-	-	-	-	65	65
Relocation.....	-	-	-	-	(1,867)	(1,867)
Site Clearance.....	-	-	-	-	850	850
Housing Subsidies.....	106,000	-	106,000	-	-	106,000
Tax Sharing Payments.....	-	513,765	513,765	-	-	513,765
ERAF Payments.....	-	44,196	44,196	-	-	44,196
Debt Service:						
Principal.....	-	-	-	3,770	-	3,770
Interest.....	-	-	-	636,866	-	636,866
TOTAL EXPENDITURES.....	125,366	557,961	683,327	640,636	2,668,302	3,992,265

**EXCESS (DEFICIENCY) OF REVENUES OVER
EXPENDITURES.....**

1,900,137

OTHER FINANCING SOURCES (USES)

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
CITY HEIGHTS REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service	Capital Projects	
	Low/Mod	Other	Total	Total	Total
Proceeds from Bonds, Developer Loans and Notes.....	-	-	-	1,232,700	1,232,700
Contributions from the City of San Diego.....	-	-	-	811,811	811,811
Loans from the City of San Diego - Community Development Block Grant.....	-	-	-	1,649	1,649
Sewer Utility.....	-	-	-	-	-
Total Loans from City of San Diego.....	-	-	-	1,649	1,649
Transfers from Other Funds.....	-	96,082	96,082	206,198	485,697
Transfers from Bond Proceeds.....	-	-	-	165,072	165,072
Transfers to the City of San Diego.....	-	-	-	(60,000)	(60,000)
Transfers to Other Funds.....	(183,417)	(165,072)	(348,489)	(302,280)	(650,769)
TOTAL OTHER FINANCING SOURCES (USES).....	(183,417)	(68,990)	(252,407)	2,055,150	1,986,160
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	660,517	1,271,759	1,932,276	349,635	3,886,297
Fund Balances at July 1, 2002, as Restated.....	841,747	1,386,767	2,228,514	486,292	6,042,426
FUND BALANCES AT JUNE 30, 2003.....	\$ 1,502,264	\$ 2,658,526	\$ 4,160,790	\$ 835,927	\$ 9,928,723

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report - Fiscal Year Ending June 30, 2003

College Community Project Area

Redevelopment Division

General Information:

PROJECT AREASIZE (ACRES)	131	REDEVELOPMENT PLAN TIME LIMIT	11/30/2034
COUNCIL DISTRICT	7	INCURRING DEBT FINAL DATE	11/29/2013
PLAN ADOPTION DATE	11/30/1993	EMINENT DOMAIN TIME LIMIT	11/30/2005
PLAN AMENDMENT DATE	N/A	REPAYMENT OF DEBT (YEAR)	11/30/2044

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Entered into an Exclusive Negotiating Agreement with San Diego State University Foundation for the Paseo Mixed Use project.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
COLLEGE COMMUNITY REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

REVENUES

	Special Revenue			Capital Projects	
	Low/Mod	Other	Total	Total	Total
Tax Increments.....	\$ 36,382	\$ -	\$ 36,382	\$ 145,528	\$ 181,910
Interest.....	8,352	4,088	12,440	74	12,514
Private Sources.....	-	-	-	20,000	20,000
Other Revenue.....	-	-	-	18	18
TOTAL REVENUES.....	44,734	4,088	48,822	165,620	214,442

EXPENDITURES

Administration.....	-	-	-	415,036	415,036
Legal.....	251	-	251	4,710	4,961
Plans and Surveys.....	-	-	-	12,577	12,577
Property Management.....	-	-	-	5,379	5,379
Tax Sharing Payments.....	-	43,077	43,077	-	43,077
ERAF Payments.....	-	6,777	6,777	-	6,777
TOTAL EXPENDITURES.....	251	49,854	50,105	437,702	487,807
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	44,483	(45,766)	(1,283)	(272,082)	(273,365)

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
COLLEGE COMMUNITY REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Capital Projects	
	Low/Mod	Other	Total	Total	Total
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds.....	-	-	-	55,069	55,069
Transfers to Other Funds.....	-	(55,069)	(55,069)	-	(55,069)
TOTAL OTHER FINANCING SOURCES (USES).....	-	(55,069)	(55,069)	55,069	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	44,483	(100,835)	(56,352)	(217,013)	(273,365)
Fund Balances at July 1, 2002, as Restated.....	181,780	120,392	302,172	333	302,505
FUND BALANCES AT JUNE 30, 2003.....	\$ 226,263	\$ 19,557	\$ 245,820	\$ (216,680)	\$ 29,140

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

College Grove Project Area*Redevelopment Division*

General Information:

PROJECT AREASIZE (ACRES)	167	REDEVELOPMENT PLAN TIME LIMIT	5/19/2027
COUNCIL DISTRICT	4, 7	INCURRING DEBT FINAL DATE	5/6/2006
PLAN ADOPTION DATE	5/6/1986	EMINENT DOMAIN TIME LIMIT	5/6/1998
PLAN AMENDMENT DATE	N/A	REPAYMENT OF DEBT (YEAR)	5/19/2037

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

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JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
COLLEGE GROVE REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
REVENUES							
Tax Increments.....	\$ 96,482	\$ 54,118	\$ 150,600	\$ 271,028	\$ 60,783	\$ 482,411	
Interest.....	10,870	12,562	23,432	-	-	23,432	
TOTAL REVENUES.....	107,352	66,680	174,032	271,028	60,783	505,843	
EXPENDITURES							
Administration.....	-	-	-	-	86,215	86,215	
Legal.....	251	-	251	-	100	351	
Plans and Surveys.....	-	-	-	-	5,000	5,000	
Property Management.....	-	-	-	-	98	98	
Tax Sharing Payments.....	-	61,877	61,877	-	-	61,877	
ERAF Payments.....	-	15,250	15,250	-	-	15,250	
Debt Service:							
Principal.....	-	-	-	271,028	-	271,028	
TOTAL EXPENDITURES.....	251	77,127	77,378	271,028	91,413	439,819	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	107,101	(10,447)	96,654	-	(30,630)	66,024	

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
COLLEGE GROVE REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)						
Contributions from the City of San Diego.....	106,000	-	106,000	-	-	106,000
TOTAL OTHER FINANCING SOURCES (USES).....	106,000	-	106,000	-	-	106,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	213,101	(10,447)	202,654	-	(30,630)	172,024
Fund Balances at July 1, 2002, as Restated.....	188,286	353,411	541,697	-	187	541,884
FUND BALANCES AT JUNE 30, 2003.....	\$ 401,387	\$ 342,964	\$ 744,351	\$ -	\$ (30,443)	\$ 713,908

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Crossroads Project Area

Redevelopment Division

General Information:

PROJECT AREASIZE (ACRES)	1,031	REDEVELOPMENT PLAN TIME LIMIT	6/6/2033
COUNCIL DISTRICT	7	INCURRING DEBT FINAL DATE	6/5/2023
PLAN ADOPTION DATE	6/6/2003	EMINENT DOMAIN TIME LIMIT	6/6/2015
PLAN AMENDMENT DATE	N/A	REPAYMENT OF DEBT (YEAR)	6/5/2023

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Adopted new Crossroads redevelopment project area.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
CROSSROADS REDEVELOPMENT AREA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Year Ended June 30, 2003

REVENUES

Other Revenue.....	\$	57	Capital Projects
TOTAL REVENUES.....		57	

EXPENDITURES

Administration.....	284,724	
Legal.....	41,771	
Plans and Surveys.....	162,998	
TOTAL EXPENDITURES.....	489,493	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(489,436)	

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
CROSSROADS REDEVELOPMENT AREA FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
Year Ended June 30, 2003

	Capital Projects
OTHER FINANCING SOURCES (USES)	
Loans from the City of San Diego:	
Sales Tax.....	54,840
Community Development Block Grant.....	187,933
Total Loans from City of San Diego.....	<u>242,773</u>
TOTAL OTHER FINANCING SOURCES (USES).....	<u>242,773</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	(246,663)
Fund Balances at July 1, 2002, as Restated.....	<u>-</u>
FUND BALANCES AT JUNE 30, 2003.....	<u>\$ (246,663)</u>

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Gateway Center West Project Area

Southeastern Economic Development Corporation

General Information:

PROJECT AREASIZE (ACRES)	59	REDEVELOPMENT PLAN TIME LIMIT	11/17/2016
COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	1/1/2004
PLAN ADOPTION DATE	11/17/1976	EMINENT DOMAIN TIME LIMIT	11/17/1982
PLAN AMENDMENT DATE	1/20/1995	REPAYMENT OF DEBT (YEAR)	11/17/2026

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Acquisition for industrial development in Gateway Center West Project Area.
- Encouraged rehabilitation of existing businesses.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
GATEWAY CENTER WEST REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
REVENUES							
Tax Increments.....	\$ 50,440	\$ -	\$ 50,440	\$ 89,597	\$ 112,163	\$ 252,200	
Interest.....	1,195	13,004	14,199	615	1,507	16,321	
TOTAL REVENUES.....	51,635	13,004	64,639	90,212	113,670	268,521	
EXPENDITURES							
Administration.....	46,110	-	46,110	-	112,713	158,823	
Legal.....	-	-	-	-	181	181	
Plans and Surveys.....	6,568	-	6,568	-	4,367	10,935	
Property Management.....	-	-	-	-	2,156	2,156	
Project Improvements.....	-	-	-	-	1,806	1,806	
Program Management.....	3,551	-	3,551	-	3,247	6,798	
Debt Service:							
Principal.....	-	-	-	50,000	13,730	63,730	
Interest.....	-	-	-	98,093	-	98,093	
TOTAL EXPENDITURES.....	56,229	-	56,229	148,093	138,200	342,522	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(4,594)	13,004	8,410	(57,881)	(24,530)	(74,001)	

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
GATEWAY CENTER WEST REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)						
Transfers from Other Funds.....	-	2,042	2,042	57,580	-	59,622
Transfers from Bond Proceeds.....	2,828	-	2,828	-	15,135	17,963
Transfers to Other Funds.....	(29,432)	(46,111)	(75,543)	(2,042)	-	(77,585)
TOTAL OTHER FINANCING SOURCES (USES).....	(26,604)	(44,069)	(70,673)	55,538	15,135	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	(31,198)	(31,065)	(62,263)	(2,343)	(9,395)	(74,001)
Fund Balances at July 1, 2002, as Restated.....	45,982	148,551	194,533	119,948	201,868	516,349
FUND BALANCES AT JUNE 30, 2003.....	\$ 14,784	\$ 117,486	\$ 132,270	\$ 117,605	\$ 192,473	\$ 442,348

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Horton Plaza Project Area

Centre City Development Corporation

General Information:

PROJECT AREASIZE (ACRES)	41	REDEVELOPMENT PLAN TIME LIMIT	
COUNCIL DISTRICT	2	INCURRING DEBT FINAL DATE	1/1/2004
PLAN ADOPTION DATE	7/25/1972	EMINENT DOMAIN TIME LIMIT	Expired
PLAN AMENDMENT DATE	4/7/2006	REPAYMENT OF DEBT (YEAR)	7/25/2023

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Since the adoption of the Horton Plaza project area, the Balboa Theatre was blighted and used as a pornographic theatre contributing to the overall blight in downtown San Diego. Subsequent to the Agency purchase of the historic facility in the early 1980’s, the Agency approved the agreement with Kitchell CEM as an owner’s representative for the rehabilitation of the Balboa Theatre.
- Funding of \$1 million from the Low and Moderate Fund to assist the construction of 80 units for the Veterans Village Housing project was approved.
- Purchased a ticketing system and a mechanical and electrical system study for the Lyceum Theatre, an asset owned by the Agency.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
HORTON PLAZA REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

REVENUES

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
Tax Increments.....	\$ 2,666,685	\$ 262,398	\$ 2,929,083	\$ 131,793	\$ 6,165,366	
Interest.....	254,179	482,969	737,148	133,350	1,129,262	
Rents.....	-	-	-	1,095,910	1,095,910	
TOTAL REVENUES.....	2,920,864	745,367	3,666,231	1,361,053	8,390,538	

EXPENDITURES

Administration.....	161,362	-	161,362	-	394,580	555,942
Legal.....	11,523	-	11,523	-	27,890	39,413
Plans and Surveys.....	845	-	845	-	30,530	31,375
Real Estate/Fixture Purchases.....	-	-	-	-	74,611	74,611
Property Management.....	2,274	-	2,274	-	33,031	35,305
Rehabilitation.....	-	-	-	-	36,821	36,821
Project Improvements.....	-	-	-	-	267,183	267,183
Bond Sale Expense.....	-	-	-	-	-	-
Program Management.....	-	-	-	-	8,085	8,085
ERAF Payments.....	-	-	-	-	460,915	460,915
Debt Service:						
Principal.....	-	-	-	3,009,846	-	3,009,846
Interest.....	-	-	-	2,984,160	-	2,984,160
TOTAL EXPENDITURES.....	176,004	-	176,004	5,994,006	1,333,646	7,503,656
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	2,744,860	745,367	3,490,227	(2,630,752)	27,407	886,882

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
HORTON PLAZA REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)						
Transfers from Other Funds.....	-	-	-	40,000	40,000	40,000
Transfers to the Housing Commission.....	(221,000)	-	(221,000)	-	-	(221,000)
Transfers to Centre City Development Corporation.....	-	-	-	-	-	-
Transfers to Other Funds.....	-	-	-	(40,000)	(40,000)	(40,000)
Transfers to Escrow Agent.....	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES).....	(221,000)	-	(221,000)	-	-	(221,000)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	2,523,860	745,367	3,269,227	(2,630,752)	27,407	665,882
Fund Balances at July 1, 2002, as Restated.....	9,768,335	7,528,583	17,296,918	13,291,002	3,342,830	33,930,750
FUND BALANCES AT JUNE 30, 2003.....	\$ 12,292,195	\$ 8,273,950	\$ 20,566,145	\$ 10,660,250	\$ 3,370,237	\$ 34,596,632

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Linda Vista Project Area*Redevelopment Division*

General Information:

PROJECT AREASIZE (ACRES)	12	REDEVELOPMENT PLAN TIME LIMIT	11/22/2012
COUNCIL DISTRICT	6	INCURRING DEBT FINAL DATE	1/1/2004
PLAN ADOPTION DATE	11/22/1972	EMINENT DOMAIN TIME LIMIT	11/22/1984
PLAN AMENDMENT DATE	11/22/1999	REPAYMENT OF DEBT (YEAR)	11/21/2022

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

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JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LINDA VISTA REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
REVENUES							
Tax Increments.....	\$ 20,988	\$ 36,557	\$ 57,545	\$ -	\$ 47,395	\$	\$ 104,940
Interest.....	5,613	7,234	12,847	-	4,565		17,412
Rents.....	-	-	-	-	49,701		49,701
TOTAL REVENUES.....	26,601	43,791	70,392	-	101,661		172,053
EXPENDITURES							
Administration.....	-	-	-	-	59,226		59,226
Legal.....	251	-	251	-	(3,768)		(3,517)
Plans and Surveys.....	-	-	-	-	5,000		5,000
Acquisition Expense.....	-	-	-	-	1,204		1,204
Property Management.....	-	-	-	-	5,516		5,516
ERAF Payments.....	-	3,619	3,619	-	-		3,619
TOTAL EXPENDITURES.....	251	3,619	3,870	-	67,178		71,048
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	26,350	40,172	66,522	-	34,483		101,005

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
LINDA VISTA REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service	Capital Projects	
	Low/Mod	Other	Total	Total	Total
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds.....	-	36	-	-	36
Transfers to Other Funds.....	-	-	(36)	-	(36)
TOTAL OTHER FINANCING SOURCES (USES).....	-	36	(36)	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	26,350	40,208	(36)	34,483	101,005
Fund Balances at July 1, 2002, as Restated.....	122,328	143,545	36	457,876	723,785
FUND BALANCES AT JUNE 30, 2003.....	\$ 148,678	\$ 183,753	\$ -	\$ 492,359	\$ 824,790

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Mount Hope Project Area

Southeastern Economic Development Corporation

General Information:

PROJECT AREASIZE (ACRES)	210	REDEVELOPMENT PLAN TIME LIMIT	11/22/2022
COUNCIL DISTRICT	4	INCURRING DEBT FINAL DATE	
PLAN ADOPTION DATE	11/22/1982	EMINENT DOMAIN TIME LIMIT	11/22/1994
PLAN AMENDMENT DATE	11/22/1999	REPAYMENT OF DEBT (YEAR)	11/22/2032

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Purchased and demolished the former Urban League structures in order to initialize redevelopment of the Market Street corridor between Boundary Street and Interstate 805.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
MOUNT HOPE REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
REVENUES							
Tax Increments.....	\$ 232,448	\$ 95,532	\$ 327,980	\$ 443,922	\$ 390,339	\$ 1,162,241	
Interest.....	20,473	96,942	117,415	14,296	14,169	145,880	
TOTAL REVENUES.....	252,921	192,474	445,395	458,218	404,508	1,308,121	
EXPENDITURES							
Administration.....	65,471	-	65,471	-	342,554	408,025	
Legal.....	-	-	-	-	29,471	29,471	
Plans and Surveys.....	18,124	-	18,124	-	40,978	59,102	
Property Management.....	-	-	-	-	8,546	8,546	
Project Improvements.....	435,000	-	435,000	-	1,211	436,211	
Promotions and Marketing.....	-	-	-	-	6,571	6,571	
Bond Sale Expense.....	-	-	-	287,113	-	287,113	
Program Management.....	7,110	-	7,110	-	10,255	17,365	
ERAF Payments.....	-	40,321	40,321	-	-	40,321	
Debt Service:							
Principal.....	-	-	-	1,983,009	-	1,983,009	
Interest.....	-	-	-	937,836	-	937,836	
TOTAL EXPENDITURES.....	525,705	40,321	566,026	3,207,958	439,586	4,213,570	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(272,784)	152,153	(120,631)	(2,749,740)	(35,078)	(2,905,449)	

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
MOUNT HOPE REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)						
Proceeds from Bonds, Developer Loans and Notes.....	-	2,709,456	2,709,456	345,544	-	3,055,000
Transfers from Other Funds.....	-	168,354	168,354	110,976	-	279,330
Transfers from Bond Proceeds.....	171,745	-	171,745	2,349,416	-	2,521,161
Transfers to Southeastern Economic Development Corporation.....	-	-	-	-	-	-
Transfers to Other Funds.....	(110,976)	(2,521,160)	(2,632,136)	-	(168,355)	(2,800,491)
TOTAL OTHER FINANCING SOURCES (USES).....	60,769	356,650	417,419	2,805,936	(168,355)	3,055,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	(212,015)	508,803	296,788	56,196	(203,433)	149,551
Fund Balances at July 1, 2002, as Restated.....	909,698	612,064	1,521,762	494,442	1,236,660	3,252,864
FUND BALANCES AT JUNE 30, 2003.....	\$ 697,683	\$ 1,120,867	\$ 1,818,550	\$ 550,638	\$ 1,033,227	\$ 3,402,415

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Naval Training Center Project Area

Redevelopment Division

General Information:

PROJECT AREA SIZE (ACRES)	504	REDEVELOPMENT PLAN TIME LIMIT	5/13/2035
COUNCIL DISTRICT	2	INCURRING DEBT FINAL DATE	5/12/2024
PLAN ADOPTION DATE	5/13/1997	EMINENT DOMAIN TIME LIMIT	5/13/2016
PLAN AMENDMENT DATE	N/A	REPAYMENT OF DEBT (YEAR)	5/13/2050

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Broke ground for the NTC office district containing two two-story buildings comprised of 100,000 square feet of office space.
- Approved a rehabilitation agreement with the NTC Foundation to provide funds for rehabilitation of historic buildings.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
NAVAL TRAINING CENTER REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Capital Projects	
	Low/Mod	Other	Total	Total	Total
REVENUES					
Tax Increments.....	\$ 97,952	\$ 391,808	\$ 489,760	\$ -	\$ 489,760
Interest.....	473	2,918	3,391	12,642	16,033
Private Sources.....	-	-	-	740,467	740,467
Other Revenue.....	-	-	-	334	334
TOTAL REVENUES.....	98,425	394,726	493,151	753,443	1,246,594
EXPENDITURES					
Administration.....	-	-	-	703,459	703,459
Legal.....	-	-	-	108,473	108,473
Plans and Surveys.....	-	-	-	59,531	59,531
Acquisition Expense.....	-	-	-	33,803	33,803
Property Management.....	-	-	-	1,539	1,539
Site Clearance.....	-	-	-	7,273	7,273
Tax Sharing Payments.....	-	2,100	2,100	-	2,100
ERAF Payments.....	-	24	24	-	24
TOTAL EXPENDITURES.....	-	2,124	2,124	914,078	916,202
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	98,425	392,602	491,027	(160,635)	330,392

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
 NAVAL TRAINING CENTER REDEVELOPMENT AREA FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 Year Ended June 30, 2003

	Special Revenue			Capital Projects	
	Low/Mod	Other	Total	Total	Total
OTHER FINANCING SOURCES (USES)					
Contributions from the City of San Diego.....	-	-	-	200,000	200,000
TOTAL OTHER FINANCING SOURCES (USES).....	-	-	-	200,000	200,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	98,425	392,602	491,027	39,365	530,392
Fund Balances at July 1, 2002, as Restated.....	246	765	1,011	39	1,050
FUND BALANCES AT JUNE 30, 2003.....	\$ 98,671	\$ 393,367	\$ 492,038	\$ 39,404	\$ 531,442

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

North Bay Project Area*Redevelopment Division*

General Information:

PROJECT AREASIZE (ACRES)	1,360	REDEVELOPMENT PLAN TIME LIMIT	5/18/2029
COUNCIL DISTRICT	2, 6	INCURRING DEBT FINAL DATE	5/17/2018
PLAN ADOPTION DATE	5/18/1998	EMINENT DOMAIN TIME LIMIT	5/18/2010
PLAN AMENDMENT DATE	N/A	REPAYMENT OF DEBT (YEAR)	5/18/2044

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Approved agreements to provide assistance for affordable housing related to the Morena Vista Transit-Oriented Development Project.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
NORTH BAY CENTER REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
REVENUES						
Tax Increments.....	\$ 505,200	\$ 64,750	\$ 569,950	\$ 846,019	\$ 1,110,032	\$ 2,526,001
Interest.....	28,066	640,783	668,849	59,795	148	728,792
Other Revenue.....	-	-	-	-	58,289	58,289
TOTAL REVENUES.....	533,266	705,533	1,238,799	905,814	1,168,469	3,313,082
EXPENDITURES						
Administration.....	18,910	-	18,910	-	1,020,788	1,039,698
Legal.....	251	-	251	-	22,722	22,973
Plans and Surveys.....	-	-	-	-	241,173	241,173
Acquisition Expense.....	3,507	-	3,507	-	-	3,507
Property Management.....	-	-	-	-	5,518	5,518
Project Improvements.....	-	-	-	-	454,174	454,174
Housing Subsidies.....	2,500,000	-	2,500,000	-	-	2,500,000
Tax Sharing Payments.....	-	524,197	524,197	-	-	524,197
ERAF Payments.....	-	62,441	62,441	-	-	62,441
Debt Service:						
Principal.....	-	-	-	353,406	-	353,406
Interest.....	-	-	-	791,093	-	791,093
TOTAL EXPENDITURES.....	2,522,668	586,638	3,109,306	1,144,499	1,744,375	5,998,180
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	(1,989,402)	118,895	(1,870,507)	(238,685)	(575,906)	(2,685,098)

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
NORTH BAY CENTER REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)						
Contributions from the City of San Diego.....	200,000	-	-	-	-	200,000
Transfers from Other Funds.....	-	-	218,714	142,965	361,679	
Transfers from Bond Proceeds.....	2,500,000	-	300,000	244,385	3,044,385	
Transfers to the City of San Diego.....	-	-	-	(1,860,376)	(1,860,376)	
Transfers to Other Funds.....	(218,714)	(3,044,385)	(142,965)	-	(3,406,064)	
TOTAL OTHER FINANCING SOURCES (USES).....	2,481,286	(3,044,385)	375,749	(1,473,026)	(1,660,376)	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	491,884	(2,925,490)	137,064	(2,048,932)	(4,345,474)	
Fund Balances at July 1, 2002, as Restated.....	544,574	8,474,745	1,172,736	3,272,803	13,464,858	
FUND BALANCES AT JUNE 30, 2003.....	\$ 1,036,458	\$ 5,549,255	\$ 1,309,800	\$ 1,223,871	\$ 9,119,384	

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

North Park Project Area

Redevelopment Division

General Information:

PROJECT AREASIZE (ACRES)	555	REDEVELOPMENT PLAN TIME LIMIT	3/4/2028
COUNCIL DISTRICT	3	INCURRING DEBT FINAL DATE	3/4/2017
PLAN ADOPTION DATE	3/4/1997	EMINENT DOMAIN TIME LIMIT	3/4/2009
PLAN AMENDMENT DATE	N/A	REPAYMENT OF DEBT (YEAR)	3/4/2043

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Initiated seismic retrofit of the historic North Park Theatre to prepare for rehabilitation and re-use as a live theatre venue.
- Entered into a Disposition and Development Agreement for Renaissance at North Park and authorized Agency assistance for affordable housing and public improvements.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
NORTH PARK REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
REVENUES							
Tax Increments.....	\$ 413,171	\$ 127,044	\$ 540,215	\$ 514,153	\$ 1,011,487	\$ 2,065,855	
Interest.....	19,122	377,459	396,581	31,684	2,401	430,666	
Other Revenue.....	-	-	-	-	100,010	100,010	
TOTAL REVENUES.....	432,293	504,503	936,796	545,837	1,113,898	2,596,531	
EXPENDITURES							
Administration.....	1,289	-	1,289	-	1,009,131	1,010,420	
Legal.....	251	-	251	-	50,402	50,653	
Plans and Surveys.....	-	-	-	-	179,541	179,541	
Acquisition Expense.....	-	-	-	-	74,115	74,115	
Real Estate/Fixture Purchases.....	-	-	-	-	3,580	3,580	
Property Management.....	-	-	-	-	3,404	3,404	
Relocation.....	-	-	-	-	28,495	28,495	
Project Improvements.....	-	-	-	-	308,042	308,042	
Rehabilitation Loans.....	250,000	-	250,000	-	965,000	1,215,000	
Tax Sharing Payments.....	-	376,253	376,253	-	-	376,253	
ERAF Payments.....	-	34,404	34,404	-	-	34,404	
Debt Service:							
Principal.....	-	-	-	100,000	-	100,000	
Interest.....	-	-	-	583,100	-	583,100	
TOTAL EXPENDITURES.....	251,540	410,657	662,197	683,100	2,621,710	3,967,007	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	180,753	93,846	274,599	(137,263)	(1,507,812)	(1,370,476)	

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
NORTH PARK REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

OTHER FINANCING SOURCES (USES)

	Special Revenue		Debt Service	Capital Projects	
	Low/Mod	Other	Total	Total	Total
Proceeds from Bonds, Developer Loans and Notes.....	-	-	-	675,000	675,000
Contributions from the City of San Diego.....	101,000	-	-	-	101,000
Loans from the City of San Diego - Community Development Block Grant.....	-	-	-	12,791	12,791
Transfers from Other Funds.....	-	-	116,899	-	116,899
Transfers from Bond Proceeds.....	-	-	-	1,183,533	1,183,533
Transfers to Other Funds.....	(116,899)	(1,183,533)	-	-	(1,300,432)
TOTAL OTHER FINANCING SOURCES (USES).....	(15,899)	(1,183,533)	116,899	1,871,324	788,791
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	164,854	(1,089,687)	(20,364)	363,512	(581,685)
Fund Balances at July 1, 2002, as Restated.....	360,768	5,241,561	564,414	1,508,839	7,675,582
FUND BALANCES AT JUNE 30, 2003.....	\$ 525,622	4,151,874	\$ 544,050	\$ 1,872,351	\$ 7,093,897

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

San Ysidro Project Area*Redevelopment Division*

General Information:

PROJECT AREASIZE (ACRES)	766	REDEVELOPMENT PLAN TIME LIMIT	4/16/2027
COUNCIL DISTRICT	8	INCURRING DEBT FINAL DATE	4/16/2016
PLAN ADOPTION DATE	4/16/1996	EMINENT DOMAIN TIME LIMIT	4/16/2008
PLAN AMENDMENT DATE	N/A	REPAYMENT OF DEBT (YEAR)	4/16/2042

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Approved the second five-year implementation plan for San Ysidro.
- Approved Owner Participation Agreement with Casa Familiar to provide assistance for the Casitas de las Florecitas affordable housing project.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
 SAN YSIDRO REDEVELOPMENT AREA FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 Year Ended June 30, 2003

REVENUES

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
Tax Increments.....	\$ 297,902	\$ 178,107	\$ 476,009	\$ 415,500	\$ 598,001	\$ 1,489,510	
Interest.....	22,785	41,967	64,752	-	515	65,267	
Other Revenue.....	-	-	-	-	29	29	
TOTAL REVENUES.....	320,687	220,074	540,761	415,500	598,545	1,554,806	

EXPENDITURES

Administration.....	-	-	-	-	494,271	494,271	
Legal.....	251	-	251	-	42,014	42,265	
Plans and Surveys.....	-	-	-	-	67,579	67,579	
Property Management.....	-	-	-	-	5,516	5,516	
Tax Sharing Payments.....	-	300,245	300,245	-	-	300,245	
ERAF Payments.....	-	22,318	22,318	-	-	22,318	
Debt Service:							
Principal.....	-	-	-	216,872	-	216,872	
Interest.....	-	-	-	198,628	-	198,628	
TOTAL EXPENDITURES.....	251	322,563	322,814	415,500	609,380	1,347,694	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	320,436	(102,489)	217,947	-	(10,835)	207,112	

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
 SAN YSIDRO REDEVELOPMENT AREA FUNDS
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 Year Ended June 30, 2003

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)							
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	320,436	(102,489)	217,947	-	(10,835)	207,112	
Fund Balances at July 1, 2002, as Restated.....	413,572	820,676	1,234,248	-	17,673	1,251,921	
FUND BALANCES AT JUNE 30, 2003.....	\$ 734,008	\$ 718,187	\$ 1,452,195	\$ -	\$ 6,838	\$ 1,459,033	

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003

Southcrest Project Area

Southeastern Economic Development Corporation

General Information:

PROJECT AREASIZE (ACRES)	301	REDEVELOPMENT PLAN TIME LIMIT	4/14/2026
COUNCIL DISTRICT	4, 8	INCURRING DEBT FINAL DATE	
PLAN ADOPTION DATE	4/14/1986	EMINENT DOMAIN TIME LIMIT	4/14/1998
PLAN AMENDMENT DATE	11/28/1994	REPAYMENT OF DEBT (YEAR)	4/14/2036

BLIGHT ALLEVIATION REPORT

California Redevelopment Law under Section 33080.1(d) requires that the Annual Report include “a description of the agency’s progress, including specific actions and expenditures in alleviating blight in the previous fiscal year.” The following actions were taken to alleviate blight during the previous fiscal year:

- Began the public improvements phase III of 252 Corridor Development (Phase II - Residential).
- Coordinated opportunities for multi-family housing development.
- Encouraged installation of Public Art.
- Amended the redevelopment plan.

JOBS INFORMATION

California Redevelopment Law under Section 33080.1(g) requires that the Annual Report include “any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.” Additional information was provided within the body of this report. *Note: Staff performed a search of the Agency’s archives to retrieve jobs data from Fiscal Year 2003. Relevant data was not found and as a result jobs information is not contained in this report.*

FINANCIAL ACTIVITY

California Redevelopment Law under Section 33080.5 requires the Annual Report to include a fiscal statement for the previous year. Fiscal information for the Agency is located within the *City of San Diego, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003* (refer to Attachment 3). The following is a summary of the financial activity for the Project Area:

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
SOUTHCREST REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue			Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total	Total
REVENUES							
Tax Increments.....	\$ 158,045	\$ 189,354	\$ 347,399	\$ 360,990	\$ 81,836	\$ 790,225	
Interest.....	1,014	60,041	61,055	20,724	15,783	97,562	
Private Sources.....	-	-	-	-	44,500	44,500	
TOTAL REVENUES.....	159,059	249,395	408,454	381,714	142,119	932,287	
EXPENDITURES							
Administration.....	60,696	-	60,696	-	477,710	538,406	
Legal.....	3,435	-	3,435	-	56,837	60,272	
Plans and Surveys.....	18,507	-	18,507	-	84,813	103,320	
Property Management.....	-	-	-	-	19,482	19,482	
Project Improvements.....	-	-	-	-	1,418,912	1,418,912	
Promotions and Marketing.....	-	-	-	-	5,015	5,015	
Program Management.....	5,652	-	5,652	-	15,307	20,959	
ERAF Payments.....	-	40,321	40,321	-	-	40,321	
Debt Service:							
Principal.....	-	-	-	388,494	-	388,494	
Interest.....	-	-	-	376,395	-	376,395	
TOTAL EXPENDITURES.....	88,290	40,321	128,611	764,889	2,078,076	2,971,576	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....	70,769	209,074	279,843	(383,175)	(1,935,957)	(2,039,289)	

REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO
SOUTHCREST REDEVELOPMENT AREA FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended June 30, 2003

	Special Revenue		Debt Service		Capital Projects	
	Low/Mod	Other	Total	Total	Total	Total
OTHER FINANCING SOURCES (USES)						
Proceeds from Bonds, Developer Loans and Notes.....	-	-	-	300,000	300,000	300,000
Loans from the City of San Diego - Community Development Block	-	-	-	1,052,694	1,052,694	1,052,694
Transfers from Other Funds.....	-	486,720	486,720	80,000	882,987	882,987
Transfers from Bond Proceeds.....	14,753	-	14,753	100,614	565,300	565,300
Transfers to the City of San Diego.....	-	-	-	(500,000)	(500,000)	(500,000)
Transfers to Other Funds.....	(196,267)	(565,300)	(761,567)	-	(1,248,287)	(1,248,287)
TOTAL OTHER FINANCING SOURCES (USES).....	(181,514)	(78,580)	(260,094)	1,033,308	852,694	852,694
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES.....	(110,745)	130,494	19,749	(303,695)	(1,186,595)	(1,186,595)
Fund Balances at July 1, 2002, as Restated.....	353,503	597,447	950,950	804,771	2,287,956	4,043,677
FUND BALANCES AT JUNE 30, 2003.....	\$ 242,758	727,941	\$ 970,699	\$ 501,076	\$ 1,385,307	\$ 2,857,082

Source: City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report - Fiscal Year Ending June 30, 2003

ANNUAL FINANCIAL AUDIT REPORT

The Redevelopment Agency of the City of San Diego, Annual Financial Report for fiscal year ending June 30, 2003 (Audit) was issued in May 2007. The audit was conducted in accordance with generally accepted auditing standards and rules governing audit reports issued by the State Board of Accountancy. The audit report also included an opinion of the Agency's compliance with laws, regulations, and administrative requirements governing the activities of the Agency.

Section 33080.2 requires the Agency to inform the legislative body of any major violations as defined in Section 33080.8 based on the financial audit report. There are nine statutorily defined "major audit violations" listed in Section 33080.8(j).³ The failure to correct a major violation may result in the filing of an action by the California Attorney General pursuant to Section 33080.8.

The Audit had a total of eight (8) findings, of which three (3) findings are deemed as Major Violations per California Redevelopment Law (refer to *City of San Diego Auditor & Comptroller, Redevelopment Agency of San Diego, Annual Financial Report – Fiscal Year Ending June 30, 2003, Page 86 -91*).

The Fiscal Year 2003 financial audits findings are listed below and the major violations are identified along with the original Management Responses:

Finding # 1: 2003-1 Financial Reporting	Financial Statement Finding	Major Violation: NO
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During our audit of the Agency's basic financial statements we noted several internal control deficiencies that resulted in numerous errors and restatements of previously issued financial statements. Some of the deficiencies noted during the audit are as follows:

- Improper financial statement presentation of debt transactions
- Failure to properly record certain loan transactions (e.g. loans paid off were not removed, and new loans were not recorded)
- Failure to transfer completed projects out of construction in progress to begin depreciating these assets
- Improper classification of assets
- Improper valuation of land held for resale
- Incomplete capture of capitalizable expenditures (i.e., amounts were expensed versus capitalized)
- Failure to recognize certain revenues that met applicable revenue recognition criteria

³ The following are the major audit violations as codified by Section 33080.8(j): (1) File an independent financial audit report that substantially conforms with the requirements of subdivision (a) of Section 33080.1; (2) File a fiscal statement that includes substantially all of the information required by Section 33080.5; (3) Establish time limits, as required by Section 33333.6; (4) Deposit all required tax increment revenues directly into the Low and Moderate Income Housing Fund upon receipt, as required by Sections 33334.3, 33334.6, 33487, or 33492.16; (5) Establish a Low and Moderate Income Housing Fund, as required by subdivision (a) of Section 33334.3; (6) Accrue interest earned by the Low and Moderate Income Housing Fund to that fund, as required by subdivision (b) of Section 33334.3; (7) Determine that the planning and administrative costs charged to the Low and Moderate Income Housing Fund are necessary for the production, improvement, or preservation of low- and moderate-income housing, as required by subdivision (d) of Section 33334.3; (8) Initiate development of housing on real property acquired using moneys from the Low and Moderate Income Housing Fund or sell the property, as required by Section 33334.16; (9) Adopt an implementation plan, as required by Section 33490.

The Agency did not maintain effective internal controls over the financial reporting process. Specifically, the Agency lacked a sufficient complement of personnel with an appropriate level of accounting knowledge, experience and training in the application of generally accepted accounting principles (GAAP) commensurate with the Agency's financial reporting requirements to meet objectives that should be expected of those roles. These control deficiencies result in future misstatement of account balances that resulted in material misstatements to annual financial statements that would not be prevented or detected. Accordingly, these control deficiencies constitute a material weakness.

We recommend that the Agency implement proper policies, procedures, and internal controls to ensure accurate and reliable reporting of account balances. Additionally, the Agency should evaluate the adequacy of the current resource level in the Agency's accounting function.

Management Response:

We agree. The Agency and the City recognize the need for an improved financial reporting control framework and as such, continue to construct a better financial reporting process. As part of this, the Agency and the City have committed to implementing all applicable remediation actions outlined in the Kroll report. Most notably, the City has begun the procurement process for a new financial accounting system (Enterprise Resource Planning System), implementation of this system, will result in overhauling the vast majority of the City's accounting practices.

Finding # 2: 2003-a 20% Tax Increment Allocation	Compliance Finding	Major Violation: YES
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The California Health and Safety Code section 33334.6 (c) states that "except as otherwise permitted by subdivisions (d) and (e), not less than 20 percent of the taxes allocated to the agency pursuant to Section 33670 from project areas specified in subdivision (b) for the 1985-86 fiscal year and each succeeding fiscal year shall be deposited into the Low and Moderate Income Housing Fund". Furthermore, guidance from the State Attorney General's office informed redevelopment agencies that the computation should be based on the gross tax increment allocated to the agencies.

During our compliance testwork, we noted that the Redevelopment Agency of the City of San Diego (Agency) deposited 20% of the net tax increment rather than the gross amount allocated to the Agency by the County of San Diego (the County).

This error was caused by the Agency's lack of written policies and procedures to aid personnel in calculating the 20% tax increment allocations to the Agency's 17 housing funds. As such, the Agency's housing funds did not receive sufficient funds to expend on low and moderate housing activities in the Agency's project areas.

We recommend that the Agency draft written policies and procedures to provide guidance in the calculation of the low and moderate income housing fund amounts.

Management Response:

We agree. The Auditor & Comptroller's Office has already changed the process for calculating the 20% set aside using gross revenues in FY 2004. While we agree this is an important compliance issue, the FY 2003 financial statements were not restated as the dollar amount associated with the change for that year were deemed immaterial. The Agency also agrees with this finding and will ensure the calculations are performed in this manner in future years.

Finding # 3: 2003-b Annual Report Submission to the City Council	Compliance Finding	Major Violation: NO
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The California Health and Safety Code section 33080.1 states that “every redevelopment agency shall submit an annual report to its legislative body within six months of the end of the agency’s fiscal year.” The annual report should include: “(1) an independent financial audit report for the previous fiscal year, (2) a fiscal statement for the previous fiscal year that contains the information required pursuant to Section 33080.5, (3) a description of the agency’s activities in the previous fiscal year affecting housing and displacement that contains the information required by Sections 33080.4 and 33080.7, (4) a description of the agency’s progress, including specific actions and expenditures, in alleviating blight in the previous fiscal year, (5) a list of, and status report on, all loans made by the redevelopment agency that are \$50,000 or more, that in the previous fiscal year were in default, or not in compliance with the terms of the loan approved by the agency, (6) a description of the total number and nature of the properties that the agency owns and those properties the agency has acquired in the previous fiscal year.”

During our testwork on compliance disclosure and reporting, we noted that the Agency did not prepare and submit a complete annual report for the fiscal year ended June 30, 2002 to the Board of Directors within six months of the end of the fiscal year. The Agency’s procedure was to complete all components of the annual report prior to submitting to the Board of Directors; however, not all components of the report were completed within six months of the end of the fiscal year due to a lack of personnel and an incomplete audit of the Agency’s financial statements.

We recommend that the Agency prepare and submit the required reports to the Board of Directors within six months of the fiscal year end. In the case, an audit has not been complete, the Agency should include a note indicating that an Independent Auditor’s Report has not been issued as of the time of submission. The Agency should also state that since the financial numbers used are unaudited, there are potential changes in the reports. In addition, the Agency should develop proper policies and procedures and assign appropriate personnel to the development of the annual report.

Management Response:

We agree. The Agency plans to submit the required reports to City Council in future years within six months of the end of the fiscal year. City will also ensure Council is made aware if the reports are still “unaudited” at the time of submission.

Finding # 4: 2003-c Monitoring of Available Affordable Housing	Compliance Finding	Major Violation: NO
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In accordance with the California Health and Safety Code Section 33418, “an agency shall monitor on an ongoing basis, any housing affordable to persons and families of low or moderate income developed or otherwise made available pursuant to any provisions of this part. As part of this monitoring, an agency shall require owners or managers of the housing to submit an annual report to the agency. The annual reports shall include for each rental unit the rental rate and the income and family size of the occupants, and for each owner-occupied unit whether there was a change in ownership from the prior year and, if so, the income and family size of the new owners. The income information required by this section shall be supplied by the tenant in a certified statement on a form provided by the agency.”

During our testwork related to the monitoring of the levels of available affordable housings to low and moderate income households, the Agency was unable to provide monitoring reports received from owners or managers of the housing, or show that any monitoring had been performed for the fiscal year ended June 30, 2003. We noted that the Agency did not have any written policies and procedures over monitoring of available affordable housing.

We recommend that the Agency develop procedures to perform monitoring as required by the California Health and Safety Code cited above. In addition, the Agency should require all owners or managers of

housing to submit an annual report to the Agency. The Agency should utilize these reports in the performance of the monitoring activities as required by the California Health and Safety Code.

Management Response:

We agree. The Agency will develop procedures to perform monitoring as required by the California Health and Safety Code cited above. Included in these procedures will be the process to ensure that all owners and managers of affordable housing submit an annual report to the Agency.

Finding # 5: 2003-d Real Property Acquisitions	Compliance Finding	Major Violation: YES
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In accordance with the California Health and Safety Code Section 33334.16, "For each interest in real property acquired using moneys from the Low and Moderate Income Housing Fund, the agency shall, within five years from the date it first acquires the property interest for the development of housing affordable to persons and families of low and moderate income, initiate activities consistent with the development of the property for that purpose."

The Agency was unable to provide a complete and detailed listing of properties held by the Agency at June 30, 2003 that were acquired using resources from the Low and Moderate Income Housing Fund. We noted that there was a lack of written policies and procedures and assignment of appropriate personnel to the development of the Agency's annual report to the Board of Directors, which includes the detailed listing of properties held by the Agency. Without the detailed listing of properties acquired using resources from the Low and Moderate Income Housing Fund, the Agency is deemed to be noncompliant with California Health and Safety Codes.

We recommend that the Agency (i) maintain detailed records of real property acquired using resources from the Low and Moderate Income Housing Fund and (ii) initiate activities consistent with the development of the property, in accordance with the California Health and Safety Code.

Management Response:

We agree. The Agency will maintain detailed records of real property acquired using Low and Moderate Income monies and will provide this detailed asset listing to the City's Auditor & Comptroller's office every June 30th. The Agency will also improve the monitoring process to ensure that the development is initiated on all properties within 5 years from the date it acquires these properties.

Finding # 6: 2003-e Planning and Administrative Expenses	Compliance Finding	Major Violation: YES
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The California Health and Safety Code Section 33334.3 (d) states that, "the agency shall determine annually that the planning and administrative expenses are necessary for the production, improvement, or preservation of low- and moderate-income housing." The Guidelines for Compliance Audits of California Redevelopment Agencies part b, para. 9, issued by the California Comptroller, further clarifies this requirement by indicating that this determination must be made annually in writing.

During our testwork on planning and administrative expenditures, we noted that even though planning and administrative expenditures were necessary for the production, improvement, or preservation of low- and moderate-income housing, this determination was not made in writing. As such, the Agency is noncompliant with California Health and Safety Codes for the fiscal year ended June 30, 2003.

We recommend that the Agency require its Board of Directors to officially determine that the planning and administrative expenses are necessary for the production, improvement, or preservation of low and moderate income housing, as required.

Management Response:

We agree. The Agency will go before the Board of Director's and get, in writing, an official determination that the planning and administrative expenses are necessary for the production, improvement, or preservation of low and moderate income housing.

Finding # 7: 2003-f Pledging of Collateral	Compliance Finding	Major Violation: NO
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In accordance with the Guidelines for Compliance Audits of California Redevelopment Agencies Section B, para 8, "if Housing Fund money or revenue was pledged as all or part of collateral for a debt issuance made during the period being audited, an appropriate amount of debt proceeds, in addition to the 20% of gross tax increment should be deposited into the Housing Fund."

During our audit, we noted that while tax increment revenues from the Housing Fund were pledged as collateral for new debt issuances during fiscal year 2003, the Agency did not allocate any portions of the debt proceeds to the Housing Fund, as required. The Agency was unaware of any such requirements. As such, the Agency's various housing funds are understated for the amount of debt proceeds that were not appropriately allocated at the time of debt issuance.

We recommend that the Agency transfer the appropriate amount of debt proceeds from various special revenue funds that currently account for debt proceeds to the Housing Fund.

Management Response:

We agree. While the Agency currently sets proceeds aside in separate special revenue funds, they have not been transferred directly into the Housing funds established with the bond issue. The Agency will transfer the appropriate amount of debt proceeds into the Housing Funds as required in the Guidelines cited above.

Finding # 8: 2003-g Conflict of Interest	Compliance Finding	Major Violation: NO
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The California Government Code section 87300 requires that every agency "adopt and promulgate a Conflict of Interest Code." In addition, the Centre City Development Corporation's Conflict of Interest Code outlines those persons that are required to file a Statement of Economic Interests.

During our review of the filing of Statement of Economic Interests forms, we noted that the Agency was unable to locate 3 out of the 80 forms selected for testing. However, the City Clerk provided "Statement of Economic Interests Filing Records" that indicates that the forms were filed, but could not be located. In addition, we noted that 8 out of 77 forms that were provided by the Agency were submitted late by the respondents (i.e. subsequent to April 1).

The Agency's policy is to penalize individuals that do not submit Statements of Economic Interest in a timely fashion; however, we noted that the Agency did not strictly enforce this policy. Additionally, there is the likelihood that the Statement of Economic Interest forms were misplaced or destroyed; however, the City did not have proper controls over record retention.

We recommend that the Agency develop procedures to ensure that all required Statement of Economic Interests forms are submitted in a timely fashion and enforce its current policy for untimely submissions of the Statement of Economic Interests. Furthermore, the Agency should improve its record retention procedures to ensure that these forms can be easily located to support the Agency's contention of compliance with its Conflict of Interest Codes.

Management Response:

The City and Agency agree. It is the policy of the City for all employees, including those of the Redevelopment Agency, to submit forms annually to the City Clerk's office. The City Clerk has record of these three forms being filed but cannot locate the hard copies of the forms at this time. The Clerk has a documented process for retention of these forms and these exceptions appear to be an anomaly.

Appendices

- Attachment 1 – California State Controller Report
(Printed Version of Electronic Submission)
- Attachment 2 – California Department of Housing and Community
Development Report
(Printed Version of Electronic Submission)
- Attachment 3 – Redevelopment Agency, Annual Financial Report for
fiscal year ending June 30, 2003
(Report issued on May 16, 2007)
- Attachment 4 – Redevelopment Agency Property Report